

proposal is desirable in a number of ways. First and most obviously, it promotes maximally efficient use of available spectrum. Even if digital compression were to permit the broadcast of only two program services on a given 6 MHz channel, the result would be a tripling of available over-the-air services (assuming the implementation of the Commission's current plan of "pairing" newly-allotted 6 MHz channels with stations already operating on different 6 MHz channels). Thus, in a market which currently includes only six over-the-air broadcast services, the result would be at least 12 such services (i.e., the six existing services and the six non-duplicated services on one of the two multi-channel signals); that number could increase to 18 such services with the advent of ATV service, which would eliminate the need to dedicate one of the multi-channel signals for duplication of the over-the-air programming from the NTSC station. The numbers would be even more impressive if compression technology were to permit four or more services to be provided on a 6 MHz channel: for example, if compression were to permit four services on a single channel, a market currently enjoying over-the-air service from five network stations (ABC, CBS, NBC, PBS, Fox) and one independent would end up with 30 over-the-air services (i.e., the six existing services and the 24 services which would result from six multi-channel operations each providing four services).

16. This increased efficiency of spectrum use would be coupled with a dramatic increase in diversity of program choice, another primary goal of the Commission. And that diversity would

be provided in a competitive environment: broadcasters would -- as they do now -- compete with other video providers to offer programs as inexpensively as possible to the video consumer, thereby driving down the cost of such services to the public. At the same time it assures continuity of broadcast service which will, in turn, continue to provide programming material for cable carriage. Obviously, preservation of the over-the-air broadcast industry is in the interest of the entire video industry (including cable) as much as it is in the interest of the viewing public.

17. Of course, a number of ancillary details in the proposal would have to be resolved. For example, Press suggests that each broadcaster's authorization would be deemed to include, indivisibly, both 6 MHz channels. Thus, a broadcaster wishing to assign its license would have to assign both channels (i.e., all of its program delivery mechanisms). It could not simply cherry-pick whatever aspects of its license it might deem desirable and unload the rest.

18. With respect to cable carriage, Press proposes that any mandatory carriage of broadcast signals which might be imposed by Congress or the Commission be limited as follows: a cable system would not be required to retransmit the digitally compressed services unless the system utilizes such compression technology in its own service offerings. In this way cable operators would not be forced to increase their facilities to accommodate the newly-available over-the-air services. Stated another way, the number of cable channels already dedicated to

carriage of over-the-air signals would not be increased as a result of the proposal.

19. These and other details can and should be considered in detail later. The important point here is to consider the broad outlines of the proposal and to begin the necessary proceeding(s) to bring the proposal to realization as soon as possible.

Conclusion

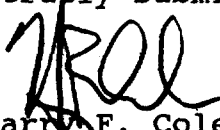
20. In seeking to address the overwhelmingly important question of the future of over-the-air, free-to-the-public video services, the Commission must act with wisdom and with vision. It is simply not enough to try to patch together a high-tech ATV service as a substitute for the existing system: the problems of the existing system extend far beyond the quality of the video signal it is able to deliver. Rather, the Commission must recognize that existing broadcast television suffers not from any technical inferiority, but from a competitive inferiority arising from the fact that it is a single-channel source in a multi-channel environment.

21. With that recognition, the Commission can and should proceed to correct that situation with available digital compression technology. As discussed above, such a correction can be truly complementary to the Commission's plans for ATV. But, also as discussed above, such a correction can go well beyond the ATV technical approach and can adjust the underlying competitive environment. In that way it is likely to be more successful than a Commission-mandated universal conversion to ATV

in assuring the availability of free over-the-air television into the next century.

22. Press firmly believes that this proposal provides a sound plan for the preservation, and the enhancement, of a fully competitive television broadcast industry. The Commission is well aware of the importance which the Commission, the Congress and the Courts have placed on the availability of free broadcast services to the public. And the broadcast industry has the experience and expertise to continue to provide service which warrants that high regard. By adopting Press' proposal, the Commission will demonstrate that it has the vision necessary to recognize the serious, if subtle, problems which currently threaten the television industry and to correct them in the public interest. The American viewing public deserves nothing less.

Respectfully submitted,


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August 24, 1992